

# **Software Developers and Transmitters Guidelines and Schemas**



## **Alabama Corporate Income Tax, S Corporation Income Tax and Partnership/LLC Returns Tax Year 2006**



Alabama Department of Revenue  
Corporate/Partnership Income Tax Electronic Filing  
Publication AL4164 (12/2006)

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## SECTION 1: INTRODUCTION

The Alabama Department of Revenue (Department), in conjunction with the Internal Revenue Service (IRS), will be accepting Alabama Corporate Income Tax (20C), Alabama S Corporation Income Tax (20S), Alabama Partnership/LLC (65) and Non-Resident Composite (PTEC) returns and corresponding forms and schedules for tax year 2006 by using the IRS' Modernized E-File system (MeF). The transmission method will be a Web Service using Simple Object Access Protocol (SOAP) with attachments messaging. The return data will be formatted using Extensible Markup Language (XML). Authorized E-File providers, also known as Electronic Return Originators (ERO's) can submit returns to the IRS MeF system for federal and state return processing. State returns can be submitted as a federal return with a state return attached, called a "Fed/State" return, or as a state return, known as a "State Only" submission. Each return (Fed/State or State Only) must be in a separate submission. Multiple submissions may be contained in a single message payload. Software developers must test with the Department and receive approval prior to submitting live Fed/State or State-Only returns.

## SECTION 2: Version Control for Schemas and Business Rules

Each tax return transmission file, and acknowledgement file has a corresponding XML schema and a respective set of business rules that are used to validate the filed tax return. Each XML transmission file schema, XML schema, and business rule document has a separate version number. It is important to note the following principles regarding version numbers:

The transmission file's schema version (number) and the tax return(s) schema version number may be different. The tax return's schema version number and its associated business rule number will be the same. This ensures that a set of rules enforce the appropriate schema version.

Each business rule document's version number identifies the version of the business rule. The version number on the set of rules dictates the schemas for which the rules are enforced and the version number on the schemas dictates which rules should be invoked for that schema version.

The "Active Validating Schema Version" specifies the business rule and schema version that will be used to validate a tax return that has been received by the IRS during a timeframe. This provides a mechanism for different versions to be accepted at the same time. It also enables an older version to be validated against a newer version's set of schemas and business rules. The IRS will publish all valid schema/business rule versions and the versions that will be used to valid it.

### VERSION NUMBERING SCHEME:

The version number includes the tax year for which the schema and business rule document applies (YYYY), the version initial (v), and the four-digit version number (NN.NN). Note: The version initial is case sensitive. The version number of MeF business rules that are invoked for the MeF XML schemas will always have the same version number as the schema version, thereby, providing a mechanism that aligns the various versions of schemas with their applicable business rules. The structure of the version number and a few examples are given below:

AL 2005v1.0  
AL 2005v1.21  
AL 2006v1.0  
AL 2006v1.1

The version number will change with each new tax year and each tax year's subsequent changes. New versions are generated with changes to the tax return's XML schema structure, content, and business rules. These changes will increase the version number when the new version is published. Major changes will increase the left digit and minor changes increase the right digit. This includes the following:

- A new tax year. The tax year part of the version number will change with each subsequent tax year and the version number is reset to 1.0.

- Additions, deletions, and updates to a schema's data elements. This includes any schema modification to a form and/or attachment. Even if the tax return's business rules were not affected by the additions, deletions, and updates to the tax return's schemas, the business rule's version number will be changed to maintain the alignment between the MeF schemas and the applicable business rules.
- Additions and deletions to the business rules. Even if the business rule change(s) did not affect the tax return's schema, the tax return's schema version will be changed to maintain the alignment between the tax return's schema and the applicable business rules. The valid versions for all MeF tax return schemas and business rules may differ since each tax return represents a separate schema-business rules combination. A schema and/or business rule change to a tax return may not affect another tax return. In this case, the other tax return types may not need to be changed.

#### How does MeF use Versions?

The return data shall contain the return version used to compose it. The IRS shall publish the schema version that will be used to validate the return, called 'active validating schema version', at any point in time during the processing year. The returns can be filed using any published schema version. They will be validated against the 'active validating schema version' at the time the return is processed. If the return data conforms to the rules enforced by the 'active validating schema version', it will be accepted.

### SECTION 3: CHANGES FOR TAX YEAR 2006

For Tax Year 2006 the Department has added electronic filing for Partnerships and S Corporations. At this time Alabama will only accept one return each filing season, any subsequent filings such as additional short year returns and amended returns must be filed by paper.

Corporations/Partnerships electing to electronically file their Alabama Corporate/Partnership Income Tax return must also electronically pay their tax liability. The Department offers three electronic payment options; Electronic Funds Transfer (EFT), Electronic Check (E-Check) and Credit Card. See Section 12 Electronic Payment Options. As of October 1, 2006, taxpayers who have any tax payments of \$750 or more are required to pay through Electronic Funds Transfer.

### SECTION 4: CONTACT INFORMATION

This publication provides information necessary for the development of software intended for use by businesses and individuals to electronically file Alabama Corporate and Partnership Income Tax returns. Our goal is to maintain open lines of communication to assure the success of your software and the electronic filing program for the State of Alabama. You are invited to contact us with any question or comment you have regarding our Corporate Income Tax Electronic Filing Program. For best possible service, please choose the appropriate contact carefully.

#### FOR TECHNICAL QUESTIONS REGARDING:

- The web site
- The XML Schema
- The Summary of the XML Schema (spreadsheet)
- Additional detail of schema elements
- The sample return
- The sample xml instance document
- Software testing and approval
- Missing acknowledgements

**CONTACT:** Corporate/Partnership Income Tax E-File Coordinator  
Individual & Corporate Tax Division  
Alabama Department of Revenue  
P.O. Box 327450  
Montgomery, AL 36132-7450

**EMAIL:** [corporate.efile@revenue.alabama.gov](mailto:corporate.efile@revenue.alabama.gov)

**FAX:** 334-353-8068

**FOR QUESTIONS REGARDING:**

- Form/schedule development
- Substitute forms approval

**CONTACT:** Individual & Corporate Tax Division  
Forms Officer  
50 N Ripley St, Room 4212  
Montgomery AL 36104

Jayne Stinson, Forms Officer @ 334-353-9447

**EMAIL:** [jayne.stinson@revenue.alabama.gov](mailto:jayne.stinson@revenue.alabama.gov)

**FAX:** 334-242-0064

**FOR CORPORATE INCOME TAX QUESTIONS REGARDING:**

- Corporate Income Tax Laws and Regulations
- Filing requirements
- General correspondence
- Billings
- Refunds
- Name and address changes
- Preliminary and Final Assessments

**CONTACT:** Corporate Income Tax Section  
Individual & Corporate Tax Division  
Alabama Department of Revenue  
P.O. Box 327430  
Montgomery, AL 36132-7430

**TELEPHONE:** 334-242-1200

**EMAIL:** [www.revenue.alabama.gov/mailform.cfm](http://www.revenue.alabama.gov/mailform.cfm)  
Select Corporate Income Tax from the dropdown list

**FAX:** 334-242-2537

**FOR PASS-THRU ENTITY QUESTIONS (S CORPORATION OR PARTNERSHIP) REGARDING:**

- Income Tax Laws and Regulations
- Filing requirements
- General correspondence
- Billings
- Refunds
- Name and address changes
- Preliminary and Final Assessments

**CONTACT:** Pass-Thru Entity Unit  
Individual & Corporate Tax Division  
Alabama Department of Revenue  
P.O. Box 327441  
Montgomery, AL 36132-7441

**TELEPHONE:** 334-242-1033

**EMAIL:** [www.revenue.alabama.gov/mailform.cfm](http://www.revenue.alabama.gov/mailform.cfm)  
Select Partnerships/SCorps/Estates, Trusts from the dropdown list

**FAX:** 334-242-1030

**OTHER INFORMATION:**

Alabama's website - [www.alabama.gov](http://www.alabama.gov)  
Alabama Department of Revenue website – [www.revenue.alabama.gov](http://www.revenue.alabama.gov)  
Corporate Income Tax Electronic Filing Information – [www.revenue.alabama.gov/incometax/corpefilemain.htm](http://www.revenue.alabama.gov/incometax/corpefilemain.htm)  
State Master Schema - [www.irs.gov/efile/article/0,,id=140378,00.html](http://www.irs.gov/efile/article/0,,id=140378,00.html)  
Internal Revenue Service (IRS) – [www.irs.gov](http://www.irs.gov)  
IRS 1120/1120S e-file information website - [www.irs.gov/efile/article/0,,id=103789,00.html](http://www.irs.gov/efile/article/0,,id=103789,00.html)  
IRS 1065 Modernized e-file website - <http://www.irs.gov/efile/article/0,,id=153999,00.html>  
Federation of Tax Administrators (FTA) – [www.taxadmin.org](http://www.taxadmin.org)

## **SECTION 5: ACCEPTANCE AND PARTICIPATION**

### **APPLICATION TO PARTICIPATE**

The following information must be provided to the Department prior to submitting test transmissions:

- Software developer company name
- Address
- EFINs/ETINs (test and production) assigned by Internal Revenue Service
- Primary Contact person – name, telephone number, email address
- Secondary Contact person – name, telephone number, email address
- TY 2006 Alabama forms supported for Corporate E-File
- Alabama items and forms NOT supported for E-File.
- Software Developer Code. Provide a separate code for each software product (web-based, professional desktop or desktop individual taxpayer).

Information may be faxed or emailed. Receipt and acceptance of the required documentation identifies the developer as interested in participating in the federal/state electronic filing program for Alabama. It provides the opportunity to initiate developing, testing and obtaining software approval with the Department. It does not represent acceptance of any software nor does it confirm the accuracy of any software developed.

## **SECTION 6: DEVELOPER RESPONSIBILITIES**

ERO's and transmitters must be approved with the IRS in order to submit Fed/State or State Only returns.

### **CONFIDENTIALITY**

Unauthorized access or disclosure of confidential taxpayer information will result in severe Federal and Alabama criminal and civil penalties. In accordance with Code of Alabama, 1975 §40-2A-10 disclosure of confidential information in violation of this statute is a class A misdemeanor.

## COMPLIANCE

Alabama participates in the federal/state electronic filing program. Therefore, any software developed must meet **all** federal **and** state requirements. The following guidelines compliment IRS. Alabama publications are not intended to alter or amend the IRS requirements.

- Comply with all federal and state procedures, requirements and specifications as defined in the following publications:
  - IRS Publications 4163 - *Modernized e-File Information for Authorized IRS e-file Providers of Forms 1120/1120S*
  - IRS Publication 4164 - *Modernized e-File Guide for Software Developers and Transmitters*
  - Alabama Publication AL4163 – *Alabama Handbook for Electronic Filers of Corporate/Partnership Income Tax Electronic Filing Income Tax Returns*
  - Alabama Publication AL4164 - *Software Developers and Transmitters Guidelines and Schemas for Alabama Corporate/Partnership Income Tax Returns*
  - Alabama Publication AL4164A - *Alabama Corporate/Partnership Income Tax Electronic Filing Test Package*
- Successfully complete all testing.
- Develop tax preparation software in accordance with statutory requirements and Department return preparation instructions.
- Provide accurate Alabama income tax returns in correct electronic format for transmission.
- Software must be capable of producing a printed copy of the complete filing for the Electronic Return Originator (ERO) and/or taxpayer.
- Provide data validation, verification, and error detection to prevent transmission of incomplete, inaccurate or invalid return information.
- Developed software is not to support electronic filing (transmission) of any form not approved for electronic filing by the Department.
- Developed software must prevent electronic transmission of returns and/or supporting documents or schedules not approved for electronic filing by the Department. This is inclusive of those not supported for electronic filing as well as those supported but not successfully tested and approved by the Department.
- All software developers are required to test their software with Alabama test data, and only software which has been tested and approved by the Department may be used for Alabama electronic filing. The Department will reject all electronic returns submitted that are prepared using unapproved software.

**Important:** Software providers must be available to correct any software errors which may occur after production begins and work closely with the Department to follow up on any processing issues that may arise during filing season. If the software providers must re-release corrected software it should be done in a timely manner and proper notification should be made to all customers. Alabama software approval can be revoked if the software produces returns which are not in compliance with these specifications and the software company fails to correct the problem upon receiving notice from the Department. The Department also reserves the right to request a copy of the final version of the Alabama approved software.

## SECTION 7: SOFTWARE ACCEPTANCE, TESTING AND APPROVAL

Testing of software developed for electronic filing is mandatory. The Department is committed to providing software developers with quality feedback during the testing process. The IRS has scheduled the MeF test



system to be available for 2006 testing on November 6, 2006. In order to ensure quality service to the software developers during the busy testing season, software developers are encouraged to transmit their first tests as soon as possible after **December 1, 2006**. **This beginning test date is subject to change.** Notification will be provided if the beginning test date changes.

All software must be tested using state scenarios. The Department test package (Alabama Publication AL4164A) is available at [www.revenue.alabama.gov/incometax/corpefilemain.htm](http://www.revenue.alabama.gov/incometax/corpefilemain.htm). The test package includes:

- Version number of Schema
- Alabama Specific XML Schema
- State Spreadsheet of required data elements
- PDF copies of State test returns
- Spreadsheets of any special test conditions if applicable

Developers must include edits and verifications based on the business rules provided for each element. The Department's state spreadsheet will include information on field type, field format, length, if it can be negative, if it is recurring, and the business rule or other edits and verifications for each field. Developers must closely follow the requirements for each field to insure proper data formatting.

All schedules, forms, and occurrences should be supported in order to maximize this service.

Developers will be given formal confirmation when software has been successfully tested. Only approved software may be released and distributed by the developer.

Test scenarios will incorporate/utilize the federal test scenarios. Exceptions to the federal scenarios will be noted within the state's test segment. Testing is to include retrieval of state acknowledgements.

Any developer wishing to conduct testing in addition to the scenarios supplied and required by the Department must obtain approval to do so prior to test submission. In these cases the software vendor must provide a printed copy of the return and schedules that are transmitted.

Approval of software for electronic filing **does not** include approval of any form developed/produced for hardcopy submission to the Department. The Individual & Corporate Tax Forms Officer must approve all Alabama tax forms.

### **MONITORING AND SUSPENSION**

The Department will monitor the quality of electronic transmissions. If the quality is unacceptable the Department will contact the electronic filer, software developer or transmitter. The Department will also monitor complaints about electronic filers and issue warning or suspension letters as appropriate. The Department reserves the right to suspend the electronic filing privilege of any electronic filer, software developer or transmitter who varies from the requirements, specifications and procedures stated in this guide, or any corresponding administrative rules, or who does not consistently transmit error-free returns. When suspended, the electronic filer, software developer, or transmitter will be advised of the requirements for reinstatement into the program.

## **SECTION 8: ACKNOWLEDGEMENT SYSTEM**

The Department will generate an acknowledgement for all returns received. The acknowledgement record/XML schema format is included in this publication. The Alabama acknowledgement types are:

### **ACCEPTED**

This acknowledgement indicates the electronic return was received and successfully completed the pre-entry validation process. No further action is required regarding the transmission.

### **REJECTED**

This acknowledgement indicates the electronic return was received and failed to successfully complete the pre-entry validation process. The acknowledgement will contain a code indicating the error causing the rejection. The error condition must be corrected and the return re-transmitted as a "State-Only" or corrected and submitted as a paper return. If a rejection occurs on the due date of the return it will be



considered timely filed if it is corrected and re-transmitted within the 5 business day perfection period.

See Appendix III for Alabama Error Reject Codes. Also see the business rules document for field length specifications and other business rules including **Validation Error Codes** and descriptions on the Department's web site at [www.revenue.alabama.gov/incometax/corpefilemain.htm](http://www.revenue.alabama.gov/incometax/corpefilemain.htm).

Transmitters and software developers should allow 5 business days to receive the State acknowledgement before contacting the Department.

## ERROR CATEGORIES

All MeF business rules are divided into 12 error categories. The first eight categories validate the XML data:

1. Multiple Document – more than the required number of documents are included in the tax return.
2. Missing Document – a tax return document is required but was not included in the tax return.
3. Data Mismatch – the data in two fields should be the same but is not. For example, if MultiSateCorpPercentage is checked on AL Form 20C, Lines 1-14 should be blank; Line 15 (StateIncomeTax) shall equal Schedule D-2 Line 4 (TaxDueOnGrossReceipts). If MultiSateCorpPercentage is checked and StateIncomeTax is not equal to TaxDueOnGrossReceipts then you will receive error message: MultiSateCorpPercentage was checked, Lines 1-14 should be blank and Line 15 (StateIncomeTax) shall equal Schedule D-2 Line 4 (TaxDueOnGrossReceipts).
4. Duplicate Condition – the tax return or the transmission file was previously received and accepted by the Department.
5. Math Error – the result of a computation is incorrect.
6. Incorrect Data – data violates a business rule even though it is syntactically correct. That is, the data values for elements must conform to the format specified and the data type. Also, the data values for elements must contain only values allowed for them in the schema.
7. Missing Data – data is not provided for a required field.
8. Database Validation Error – data provided does not match the IRS database or the data provided should be present in the IRS database but is not. (E.g. the Electronic Filing Identification Number (EFIN) in the Return Header must be listed in the MeF database and in accepted status.)
9. XML Error – the data violates Schema specification. The return and transmission documents must conform to the version of the XML schema they specify.
10. System Error – a return encounters a problem with the IRS systems that prevents the return from being processed electronically.
11. Unsupported – a submitted item(s) is sent to a location that does not accept it or an unusual condition is encountered in the data.
12. Not On Time – a document is received after the due date.

## SECTION 9: GENERAL INFORMATION

### THE DEPARTMENT WILL ACCEPT THE FOLLOWING RETURN TYPES:

- Fed/State Original
- State Only

The E-File Program works best when the Federal and State returns are filed together in one transmission to the IRS (although this is not always possible). Upon receipt, the Internal Revenue Service will validate and verify the federal return data. The IRS will either accept or reject the federal return. The state return is only available to the Department after the federal return is accepted by IRS. If a Fed/State submission is rejected by IRS, the state will not receive the state return portion. The Fed/State submission must be re-submitted.

State-Only Electronic Return Transmissions - IRS provides the ability for an ERO or individual to transmit/retransmit a state return through the fed/state system without simultaneously transmitting a federal return. There is no difference in the transmission sequence. State-Only returns are transmitted to IRS, validated and made available for states to download in the same fashion as with the traditional fed/state

transmission. This provides a means for individuals who file multiple state returns to have each participating state's return electronically filed. However, each state return must be transmitted separately. The taxpayer's federal return must be completed, transmitted and accepted by IRS before transmitting/re-transmitting a State-Only return.

#### **SUPPORTED ALABAMA FORMS:**

The Department will support the following forms and schedules for Corporate return processing:

- Alabama Form 20C (Schedules A, B, C, D-1, D-2,E, F, G) with Alabama Schedule 20C AS and Alabama Schedule 20C AAGIS as a binary attachment
- Alabama Form 20S(Schedules A, B, C, D, E, F, G, H, K) with Alabama Schedule K-1 and Alabama Schedule NRA (NRA must also be included as a Binary Attachment)
- Alabama Form 65 (Schedules A, B, C, D,E, K) with Alabama Schedule K-1 and Alabama Schedule NRA (NRA must also be included as a Binary Attachment)
- Alabama Form PTEC and Schedule PTE-CK1
- Other schedules as binary attachments

The complete federal return and the necessary supporting schedules (such as Schedule D and Form 4797) are required to be submitted in XML and PDF format along with the Alabama return. Failure to attach the complete federal return with the necessary supporting schedules may result in the imposition of delinquent penalties.

#### **EXCLUSIONS FROM CORPORATE ELECTRONIC FILING INCLUDE:**

- Returns for a prior Tax Year (Tax Year 2005 will be accepted thru 09/30/2007 and Tax Year 2006 returns will be accepted thru 09/30/2008)
- Amended returns
- 52-53 week filer returns
- Name Change Returns

Initially, Alabama will only accept one return each filing season, any subsequent filings such as additional short year returns and amended returns must be filed by paper.

#### **FILING CHART**

<b>Return Due Date Chart Forms 20C, 20S, and PTEC for 20S Tax Year 2006</b>				
Tax Period Beginning & Ending Dates	Tax Period	*Due Date (Weekends Considered)	6 Month Extension Due Date (Weekends Considered)	Tax Year of Return
1/1/06—12/31/06	200612	03/15/2007	09/17/2007	2006
2/1/06—1/31/07	200701	04/16/2007	10/15/2007	2006
3/1/06—2/28/07	200702	05/15/2007	11/15/2007	2006
4/1/06—3/31/07	200703	06/15/2007	12/17/2007	2006
5/1/06—4/30/07	200704	07/16/2007	01/15/2008	2006
6/1/06—5/31/07	200705	08/15/2007	02/15/2008	2006
7/1/06—6/30/07	200706	09/17/2007	03/17/2008	2006
8/1/06—7/31/07	200707	10/15/2007	04/16/2008	2006
9/1/06—8/31/07	200708	11/15/2007	05/15/2008	2006
10/1/06—9/30/07	200709	12/17/2007	06/16/2008	2006
11/1/06—10/31/07	200710	01/15/2008	07/15/2008	2006
12/1/06—11/30/07	200711	02/15/2008	08/15/2008	2006
Legal Due Date is the 15th of each month.				

Return Due Date Chart Forms 65 and PTEC for 65 Tax Year 2006				
Tax Period Beginning & Ending Dates	Tax Period	*Due Date (Weekends Considered)	6 Month Extension Due Date (Weekends Considered)	Tax Year of Return
1/1/06—12/31/06	200612	04/16/2007	10/15/2007	2006
2/1/06—1/31/07	200701	05/15/2007	11/15/2007	2006
3/1/06—2/28/07	200702	06/15/2007	12/17/2007	2006
4/1/06—3/31/07	200703	07/16/2007	01/15/2008	2006
5/1/06—4/30/07	200704	08/15/2007	02/15/2008	2006
6/1/06—5/31/07	200705	09/17/2007	03/17/2008	2006
7/1/06—6/30/07	200706	10/15/2007	04/16/2008	2006
8/1/06—7/31/07	200707	11/15/2007	05/15/2008	2006
9/1/06—8/31/07	200708	12/17/2007	06/16/2008	2006
10/1/06—9/30/07	200709	01/15/2008	07/15/2008	2006
11/1/06—10/31/07	200710	02/15/2008	08/15/2008	2006
12/1/06—11/30/07	200711	03/17/2008	09/15/2008	2006
*Legal Due Date is the 15th of each month.				

#### TIMELINESS OF FILING

The receipt date of the electronic transmission will constitute the receipt date of the return if the return is acknowledged as accepted by the Department. Any return **not** acknowledged by the Department as "accepted" is considered not filed.

After an electronic return is acknowledged as accepted, it cannot be recalled, intercepted or changed in any manner. If either the ERO or taxpayer wishes to change any entries on an accepted electronic return, an amended paper return must be filed.

#### DECIMAL PLACES FOR RATIOS AND PERCENTAGES:

Ratios and percentages will use one position in front of the decimal and up to 6 decimal places.

Examples: 100% = 1.000000  
37.3% = 0.373000

#### SPECIAL CHARACTERS:

Many business names include special characters such as the ampersand "&". The ampersand is strictly illegal inside an XML element and will generate an error. Illegal XML Characters must be replaced by entity references.

There are 5 predefined entity references in XML:

&lt;	<	less than
&gt;	>	greater than
&amp;	&	ampersand
&apos;	'	Apostrophe
&quot;	"	quotation mark

Note: Only the characters "<" and "&" are strictly illegal in XML. Apostrophes, quotation marks and greater than signs are legal, but it is a good habit to replace them.

For example: The following example for "Pack & Move Incorporated" would create an XML error:

```

<HdrName>
  <CorporationName>
    <BusinessNameLine1>PACK & MOVE INCORPORATED</BusinessNameLine1>
  </CorporationName>
</HdrName>

```

The following is a valid XML statement for “Pack & Move Incorporated”:

```

<HdrName>
  <CorporationName>
    <BusinessNameLine1>PACK & MOVE INCORPORATED</BusinessNameLine1>
  </CorporationName>
</HdrName>

```

## SECTION 10: BINARY ATTACHMENTS

The tax return may also include non-XML documents, known as “binary attachments”, submitted in PDF format. These attachments are included at the Unitary, Consolidated, and Parent/Subsidiary levels. This allows taxpayers to provide requested documentation that include required signatures and third party documents as required by forms and instructions (AL8453-C signature document, signed copy of lease, signed appraisal statement, etc).

Tax preparation software must use the following names for binary attachments because they will be validated by business rules.

Required Binary Attachments	Required Binary Attachment Title
AL-8453C Corporate/Partnership Income Tax Return Declaration for Electronic Filing	AL8453C.pdf
Copy of the Federal submitted to the IRS (Form 1120, 1120S, 1120A, 1120F, 990T, 1065, etc)	Federal1120.pdf / Federal1120S.pdf / Federal1120A.pdf / Federal1120F.pdf, Federal990T.pdf / Federal1065.pdf
Conditional Binary Attachments	Required Binary Attachment Title
Consolidated 1120 Pages 1-4 (If applicable)	Consolidated1120.pdf
Pro forma 1120 (If applicable)	Proforma1120.pdf
Federal Form 7004 (if applicable)	Federal 7004.pdf
Federal Form 851 (if applicable)	Federal 851.pdf
Signed Schedule NRAs – Non-resident Agreements (if Applicable) (20S/65)	ALNRA.pdf
Alabama 20C-CRE – Election to File Consolidated Income Tax Return (if applicable)	AL20C_CRE.pdf
If the Alabama Consolidated Return checkbox (StateConsolidatedReturn) is checked. A copy of Schedule 20C-AAGIS Alabama Affiliated Group Income Spreadsheet must be attached	AL20C_AAGIS.pdf
If the Multistate Corporation Separate Accounting checkbox (MultiStateCorpSepAcct) is checked. A copy of the Separate Accounting Approval letter signed by the Commissioner of Revenue must be attached	SeparateAccountingApproval.pdf

If the taxpayer is a member of a affiliated group which files a consolidated federal return the parent company's current Federal Income Tax Deduction Election (1552) letter must be attached along with the Federal Income Tax Deduction Calculations	1552Election_Calculations.pdf
.PDF copy of each Alabama corporate income tax return (page 1 only) where the Net Operating Loss listed on Schedule B that is more than six years old	NOL_YYYY_AL20CPg1.pdf
Alabama Schedule AB – Add Back (if applicable)	ALScheduleAB.pdf
Alabama Form 2220AL Underpayment of Estimated Tax for Corporations (if applicable)	Form2220AL.pdf
Enterprise Zone Capital Credit calculations (if applicable) - This PDF should include Schedule EZ, Certificates and all calculations.	EnterpriseZoneCredit.pdf
Employer Education Credit calculations (if applicable) - This PDF should include a copy of the document of approval along with a detailed schedule computing the credit.	EmployerEducationCredit.pdf
Income Tax Credit calculations (if applicable) - This PDF should include certificate/document of approval, computation of income generated from project, support for amount paid, and computation of the credit.	IncomeTaxCredit.pdf
Tax Increment Fund Payment Credit calculations (if applicable) - This PDF should include the document of approval along with proof of payment(s) into the fund relative to corporate income tax and a detailed schedule computing income generated from the project.	TaxIncrementFundPaymentCredit.pdf
Coal Tax Credit calculations (if applicable) - This PDF should include a detailed schedule computing the coal tax credit.	CoalTaxCredit.pdf
Capital Tax Credit (if applicable) - This PDF must include Form AR (Annual Report of Project) and Form K-RCC if applicable.	CapitalTaxCredit.pdf
Other Reconciliation Items (20S if applicable)- This PDF must clearly explain the nature and amounts of the reconciling items.	OtherReconciliationItems.pdf
Other Separately Stated Items (20S if applicable)-This PDF must clearly explain the nature and amounts of the other separately stated items.	OtherSeparatelyStatedItems.pdf
Separate Non-Business Income/Loss (20S/65 if applicable) This PDF must identifying the nature and amounts of the separately stated non-business items.	SeparateNonBusiness.pdf
Other Expense Portfolio Income (20S/65 if applicable)- This PDF must identify the nature and amounts of the other expenses related to portfolio income.	OtherExpenses.pdf
If there is Tax Due on a 20S return a PDF with a computation schedule must be submitted	StateIncTaxSCorp.pdf

For all other binary attachments, the tax preparation software must provide the taxpayer the ability to enter a meaningful name. The following table provides a few examples of meaningful names.

CONDITION	BINARY ATTACHMENT TITLE
If the regulations require you to attach a merger agreement.	1120 Merger Agreement for XYZ Corporation
If required to attach a detailed schedule of Other Income.	OtherIncome.pdf
If required to attach a schedule of Other Property for Schedule D1 or Schedule C (20S/65).	SchD1OtherProperty.pdf / SchCOtherProperty.pdf
If shareholder notes are more than 50 characters (20S/65 – K-1)	ShareholderNotes.pdf
If state notes are more than 50 characters (20S/65 K-1)	StateAdditionalInformation.pdf

## SECTION 11: SCHEMAS AND TRANSMISSION SPECIFICATIONS

### SCHEMAS

The Department will use the Fed/State 1120 Deployment Team Super Schema, developed by various states in partnership with the IRS and Software Developers. A copy of the Super Schema can be found at [www.irs.gov/efile/article/0,,id=140378,00.html](http://www.irs.gov/efile/article/0,,id=140378,00.html) and the Alabama state specific schema can be found at [www.revenue.alabama.gov/incometax/corpefilemain.htm](http://www.revenue.alabama.gov/incometax/corpefilemain.htm).

There are schemas for each return type that can be transmitted to the Department. There are also business rules documents and quick references for each return:

AL 20C	AL_20C_BusinessReturnDataState.xsd (with category schemas) AL_20C_BusinessRules 2006v1.1.xls 20C_Quick_Reference 2006v1.1.pdf
AL 20S	AL_20S_BusinessReturnDataState.xsd (with category schemas) AL_20S_BusinessRules 2006v1.1.xls 20S_Quick_Reference 2006v1.1.pdf
AL 65	AL_65_BusinessReturnDataState.xsd (with category schemas) AL_65_BusinessRules 2006v1.1.xls 65_Quick_Reference 2006v1.1.pdf
AL PTEC	AL_PTEC_BusinessReturnDataState.xsd (with category schemas) AL_PTEC_BusinessRules 2006v1.1.xls PTEC_Quick_Reference 2006v1.1.pdf

**THE SCHEMAS FOR ALL ALABAMA RETURNS WILL BE INCLUDED IN ONE ZIP FILE. THE ZIP FILE WILL CONTAIN THE FOLLOWING:**

### DIRECTORY STRUCTURE AND CONTENTS:

\TY2006_V1.1C_Schemas	Contains the xsd files that make up the Fed/State 1120/1065 State Super Schema as issued by FTA/TIGERS. <b>NO CHANGES HAVE BEEN MADE TO THESE FILES.</b>
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\\TY2006\_V1.1C\_Schemas\\Alabama

Contains the schemas for each Form (BusinessReturnDataState xsd's) that will be accepted electronically for 2006, Alabama's modified e-file types file and any shared category file. Also included in this folder are xml files with **all** elements from each state specific return schema (20CALL.XML, 20SALL.XML, 65ALL.XML, PTEC\_ALL.XML) the same xml documents have been set up to validate against the super schema (20CALL\_against\_SS.xml, 20SALL\_against\_SS.xml, 65ALL\_against\_SS.xml, PTEC\_ALL\_against\_SS.xml)

C:\\TY2006\_V1.1C\_Schemas\\Alabama\\20C

Contains the category xsd files specific to the Alabama Form 20C Return.

C:\\TY2006\_V1.1C\_Schemas\\Alabama\\20S

Contains the category xsd files specific to the Alabama Form 20S Return.

C:\\TY2006\_V1.1C\_Schemas\\Alabama\\65

Contains the category xsd files specific to the Alabama Form 65 Return.

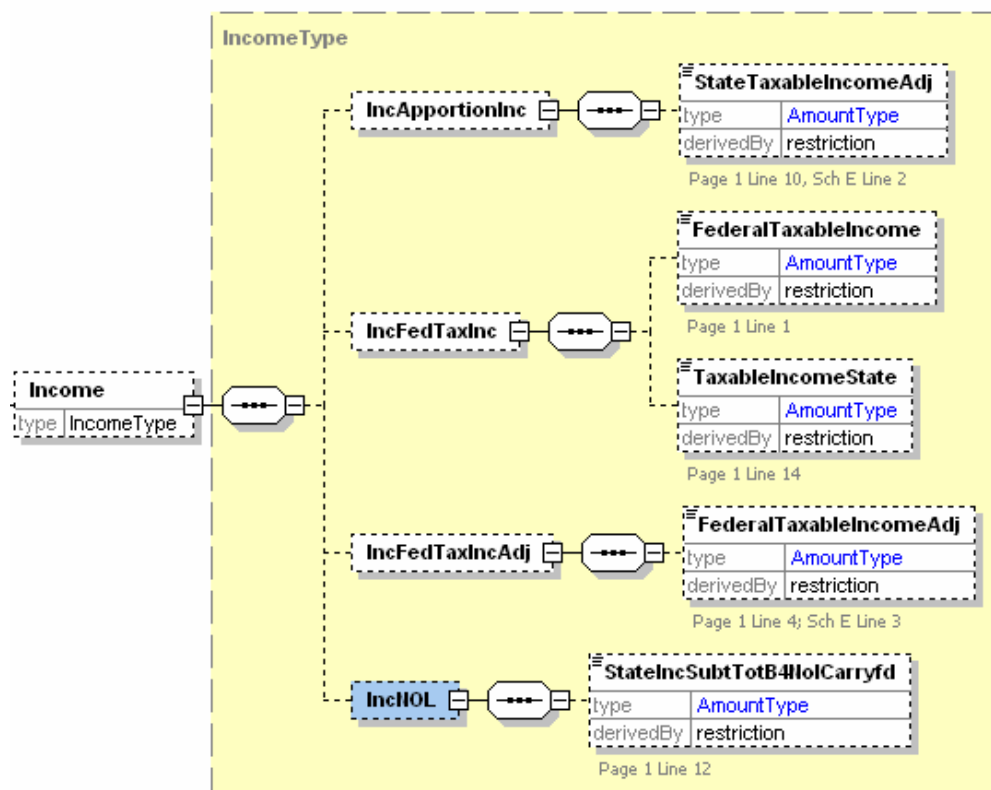
C:\\TY2006\_V1.1C\_Schemas\\Alabama\\PTEC

Contains the category xsd files specific to the Alabama Form PTEC Return.

#### ANNOTATIONS:

Each Alabama return schema includes annotations for each element indicating the Schedule and Line numbers on the return.

Example from AL\_20C\_BusinessReturnDataState.xsd/ AL\_20C\_Income.xsd:



Annotations that include more than one line or schedule indicate that the element is found on multiple schedules – meaning it is calculated on one schedule and included in another calculation on another schedule. For example “Page 1 Line 4; Sch E Line 3” FederalTaxableIncomeAdj is calculated in on the 20C Schedule E Line 3 and is brought forward to 20C Page 1 Line 4.

Software developers should apply data from the spreadsheet or tax forms to the appropriate data element from the XML schema.

All XML data must be well formed.

### **TRANSMITTING THE RETURNS**

Authorized E-File providers can transmit returns to the IRS MeF system for Federal and State return processing. State submissions can be made as a Federal return with a State Return attached, called a Fed/State return, or just a State return, known as a State Only submission. Each return (Fed/State or State Only) must be in a separate submission. Multiple submissions can be contained in a single message payload.

Packaging of data and transmission payload must be in the proper format.

Returns filed in XML format with SOAP attachments allow for binary attachments to the submission. These attachments may consist of Signature documents, balance sheets, statement records, or other types of documentation. The allowed file type for attachments is file extension .PDF. The file order of attachments and procedures must follow IRS requirements for binary attachments as found in IRS publication 4163. The Department will allow for binary attachments to the state return.

Send data elements only if they contain data values. Do not send empty data elements (i.e., zero financial fields, unused elements, etc.).

Other Packaging Guidelines:

- A submission contains either an IRS return or a state return
- Each submission is a separate file.
- Each federal return must be submitted in the agreed upon IRS XML format.
- Each state return must be submitted in the XML format specified and agreed to by IRS, state agencies, transmitters, and software developers. The Fed/State 1120/1065 Deployment Team State Super-schema can be downloaded from the IRS' web site at [www.irs.gov/efile/article/0,,id=140378,00.html](http://www.irs.gov/efile/article/0,,id=140378,00.html).
- Each state return must include a copy of the FEDERAL RETURN as submitted to the IRS and any attachments associated with that federal return. If the taxpayer is included in the federal return of a consolidated group, a copy of the pro-forma FEDERAL RETURN for the company must be included along with the first four pages of the consolidated federal return.
- If the IRS rejects a Fed/State submission, the state will NOT receive the state return portion. The Fed/State submission must be resubmitted.
- Each submission must be in Zip Archive format.
- No nesting of Zip archive files or returns will be allowed. (i.e. one submission, one zip.)
- The SOAP message itself must not be compressed or zipped.
- The message contains a header, a body, and an attachment. See Modernized E-File Logical ICD Model for message layout and message technical specifications.
- ERO's and transmitters must be approved with the IRS in order to submit Fed/State or State Only returns.
- The Department will produce an acknowledgement of acceptance or rejection for each state submission. The transmitter may then retrieve the Department's acknowledgement from the IRS.

**ELECTRONIC FUNDS TRANSFER (EFT):**

Effective October 1, 2006, Mandatory use of EFT - Section 41-1-20, Code of Alabama 1975, as amended, provides the Department with the authority to require taxpayers making payments in excess of \$750 to make those payments using the Alabama Electronic Funds Transfer (EFT) Tax Payment Program.

Voluntary Use of EFT to Make Tax Payments - Taxpayers not required to make EFT payments for a tax may elect to pay any or all taxes using EFT. Taxpayers making a voluntary election to make EFT payments for a tax are subject to the same rules of the Alabama EFT Tax Payment Program as taxpayers required to make EFT payments.

There are two EFT Payment Methods available to Alabama taxpayers:

**ACH DEBIT PAYMENT METHOD ([www.revenue.alabama.gov/eft/eftdebit.pdf](http://www.revenue.alabama.gov/eft/eftdebit.pdf)):**

The ACH Debit payment method is the primary method used by taxpayers to make payments for a tax under the Alabama EFT Tax Payment Program. The process is safe, simple, and convenient, and the cost of processing ACH Debit payment transactions is borne by the Department. Each individual EFT payment is only initiated upon the express authorization of the taxpayer. There are three methods of filing an ACH Debit Payment: 1) Operated Assisted, 2) Touchtone Telephone Method, 3) Internet Method.

**ACH CREDIT PAYMENT METHOD ([www.revenue.alabama.gov/eft/eftcredit.pdf](http://www.revenue.alabama.gov/eft/eftcredit.pdf)):**

The Department will allow taxpayers to use the ACH Credit payment method only if certain qualifying conditions are met. A taxpayer must request permission from the Department to use the ACH Credit method and submit a written request, accompanying the EFT001 form, which demonstrates the existence of a valid business operational reason for using the ACH Credit payment method in lieu of the ACH Debit payment method. Taxpayer requests to use the ACH Credit method will be reviewed on a case-by-case basis. A taxpayer who is already using the ACH Credit method to pay taxes for other states is deemed to have a valid business reason for using the ACH Credit method to make payments for Alabama taxes.

The Department reserves the right to revoke the ACH Credit method payment privilege of any taxpayer for the following reasons:

- a) Failure to transmit consistently error-free payments
- b) Substantial variation from the requirements and specifications of the rules of the Alabama EFT Tax Payment Program
- c) Failure to make timely EFT payments or to provide timely payment information
- d) Failure to provide the addenda record, required by the Alabama EFT Tax Payment Program, with the EFT payment.

To register for EFT taxpayers must complete the EFT:001 form entitled EFT Authorization Agreement Form, and mail or fax it to the Department's EFT Unit. The mailing address and fax number are given at the top of the form. The EFT: 001 form and instructions can be downloaded from the Department's Web site at [www.ador.state.al.us/eft/eftindex.html](http://www.ador.state.al.us/eft/eftindex.html).

**ELECTRONIC CHECK (E-CHECK)** – The Department will accept electronic checks through Official Payments Corporation on the internet at [www.officialpayments.com/echeck](http://www.officialpayments.com/echeck) there is no fee for this service.

**CREDIT CARD PAYMENTS** – The Department will accept credit card payments through Official Payments Corporation on the internet at [www.officialpayments.com](http://www.officialpayments.com) there is a convenience fee for this service. The fee is based on the amount of the tax payment and is paid directly to official payments corporation.

Software developers may interface their product to automatically send the payment information to Official Payments using a Simple Transaction Processor API provided by Official Payments Corporation. This API places no restrictions on programming language or platform because of its use of the standards of XML, HTTP, and SSL. To implement this functionality with your software product contact:

## SECTION 13: EXTENSIONS AND ESTIMATES

Currently Alabama only accepts extensions and estimates through our website in partnership with Alabama Interactive. This is a free service we offer all taxpayers.

Extension:

The file specifications are located on our web site at:

<https://www.alabamainteractive.org/taxextension/GetBulkInstructions.do>

Bulk Filing Extension web site:

<https://www.alabamainteractive.org/taxextension/BulkExtensionMenu.do>

Estimates:

<https://www.alabamainteractive.org/taxestimation/>

Software vendors who would like to enable their software to file extensions through our website should contact our vendor Alabama Interactive at 334-261-1990 for additional assistance.

## SECTION 14: CORPORATE/PARTNERSHIP INCOME TAX DECLARATION FOR ELECTRONIC FILING (AL8453-C)

As with any corporate/partnership income tax return submitted to the Department on paper, an electronic corporate/partnership income tax return must be signed by an authorized corporate officer and the paid preparer, if applicable.

The AL8453-C "Corporate/Partnership Income Tax Declaration for Electronic Filing" authorizes the origination of the electronic submission of the return prior to the transmission of the return. The Declaration includes the taxpayer's declaration that the return is true, correct and complete, as well as the taxpayer's Consent to Disclosure. The Consent to Disclosure authorizes the Department to disclose information to the taxpayer's Authorized IRS e-file Providers. Intermediate Service Providers, Transmitters and EROs who are authorized by taxpayers to receive acknowledgement of receipt or reason for rejection of the electronic return from IRS. If the electronic return data on a corporate/partnership income tax return is changed after the taxpayer has signed the Declaration, the taxpayer must sign a new declaration if the amounts differ.

The Form AL8453-C must be completed and signed by all required parties and then scanned to create a PDF document. The PDF document must then be included as part of the electronic return as binary attachment named "AL8453C.pdf". The software must generate the AL8453-C and provide an interface or instructions for the user to including the scanned document with the electronic tax return.

See Appendix I for the AL8453-C

## SECTION 15: ALABAMA ELECTRONIC FILING REGULATIONS

### E-file Regulations for Corporations

#### **810-3-39-.07 Participation in the Federal/State Electronic Filing Program.**

(1) The Department will participate with the Internal Revenue Service in the Federal/State Electronic Filing Program for the joint electronic filing of corporate income tax returns, effective for tax years beginning on or after January 1, 2005.

(2) The requirements of the Alabama Electronic Filing Program for software developers, electronic return originators and transmitters are stated in the Software Developers and Transmitters

Author: Kathleen F. Campbell

Authority: Sections 40-2A-7(a)(5) and 40-30-4, Code of Alabama 1975

**810-3-39-.08 Requirements for the Alabama Electronic Corporate Income Tax Return.**

(1) A complete Alabama electronic corporate income tax return will consist of data and supporting binary documents (such as .pdf documents) transmitted electronically. A complete Alabama electronic return must contain the same information as a comparable Alabama corporate income tax return as if filed entirely on paper.

(2) Corporations that electronically file their Alabama corporate income tax return must also pay their tax liability electronically.

(3) The transmission date of an Alabama electronic corporate income tax return will be used to determine timely filing of an electronic return in the same manner that the postmarked date is used to determine timely filing of a paper Alabama corporate income tax return.

Author: Kathleen F. Campbell

Authority: Sections 40-2A-7(a)(5) and 40-30-5, Code of Alabama 1975

**810-3-39-.09 Requirements for the Corporate Income Tax Declaration for Electronic Filing.**

(1) The Corporate Income Tax Declaration for Electronic Filing requires the following information:

- (a) The corporation's name.
- (b) The corporation's Federal Employer Identification Number.
- (c) The corporation's address.
- (d) The Alabama taxable income reported by the electronic return.
- (e) The net tax liability reported by the electronic return.
- (f) The total tax payments reported by the electronic return.
- (g) The amount of the refund reported by the electronic return.
- (h) The amount of the payment transmitted electronically and the method of transmission (Electronic Funds Transfer, Online Payment or Credit Card Payment).
- (i) The signature of an officer of the corporation, their title and date of the signature.
- (j) The signature of the electronic return originator and date of the signature.
- (k) An indication whether the electronic return originator is self-employed.
- (l) The firm name of the electronic return originator.
- (m) The address, including the zip code, of the electronic return originator.
- (n) The federal employer identification number of the electronic return originator.

- (o) If the paid preparer is different from the electronic return originator, the following information is required:
  - 1. The signature of the paid preparer and date of the signature.
  - 2. An indication whether the paid preparer is self-employed.
  - 3. The firm name of the paid preparer.
  - 4. The address, including the zip code, of the paid preparer.

(2) The signatures of the corporate officer, the electronic return originator, and the paid preparer (if the paid preparer is different from the electronic return originator) must be affixed to the Alabama Form AL8453-C – Corporate/Partnership Income Tax Declaration for Electronic Filing before the return is electronically transmitted.

- (a) Members of the firm or designated employees may sign for the electronic return originator.

(b) If the taxpayer is unable to obtain the paid preparer's signature on the Alabama Form AL8453-C, in lieu of the paid preparer's signature the electronic return originator may attach to the Alabama Form AL8453-C a copy of the appropriate pages of the paper return with the paid preparer's signature.

(c) Electronic return originators and electronic return preparers are prohibited from allowing taxpayers to sign blank Alabama Forms AL8453-C.

(3) The completed and signed Alabama Form AL8453-C will serve as the filing declaration for the electronic Alabama corporate income tax return.

(4) The completed and signed Alabama Form AL8453-C must be scanned and saved in “.pdf” format. The AL8453-C “.pdf” file must be submitted electronically with the electronic return data. Any electronic corporate income tax return submitted without the AL8453-C “.pdf” file will be rejected for incomplete documentation. AL8453-C should not be mailed to the Department of Revenue.

Author: Kathleen F. Campbell

Authority: Sections 40-2A-7(a)(5) and 40-30-5, Code of Alabama 1975

### **810-3-39-.10 Requirements for Electronic Filing Software.**

(1) XML Schemas (record layouts), specifications and business rules for a complete Alabama electronic corporate income tax return are issued annually by the Department in Software Developers and Transmitters Guidelines and Schemas for Alabama Corporate Income Tax Returns.

(2) Software developers are required to obtain prior approval from the Department by submitting for testing sample Alabama electronic corporate income tax returns prepared by and transmitted by their software products.

(3) Software developer testing will occur in conjunction with IRS testing in accordance with IRS Publication 4162 Modernized e-File Test Package for Forms 1120/1120S.

(4) Alabama electronic corporate income tax returns received by the Department which are prepared by software which has not completed the Department's software developer testing and which has not been approved by the Department will be rejected by the Department. Paper Alabama corporate income tax returns must then be submitted by the taxpayers.

Author: Kathleen F. Campbell



**810-3-39-.11 Acceptance into the Alabama Electronic Filing Program, Monitoring, and Revocation of Acceptance into the Program.**

(1) Electronic return originators and transmitters accepted by and in good standing with the Federal Electronic Filing Program are automatically accepted into the Alabama Electronic Filing Program.

(2) Electronic return originators and transmitters accepted into the Alabama Electronic Filing Program serve as agents of the Alabama Department of Revenue, and must comply with the requirements of the program as stated in the Software Developers and Transmitters Guidelines and Schemas for Alabama Corporate Income Tax Returns.

(3) The Alabama Department of Revenue will conduct random monitoring visits with Electronic Return Originators and Transmitters to verify that the requirements of the Alabama Electronic Filing Program are being met.

(4) The Alabama Department of Revenue reserves the right to revoke the acceptance of an electronic return originator or transmitter for cause. Failure to comply with the guidelines set forth in the Software Developers and Transmitters Guidelines and Schemas for Alabama Corporate Income Tax Returns is considered just cause.

(5) Any of the following can result in the revocation of an electronic return originator's or transmitter's acceptance into the program:

(a) Conviction of a criminal offense under the revenue laws of any state or of any offense involving dishonesty, or breach of trust.

(b) Failure to file timely and accurate tax returns, both personal and business.

(c) Failure to pay personal tax liabilities or business tax liabilities.

(d) Failure or refusal to effect corrective action as required by the Alabama Department of Revenue.

(e) Other facts or conduct of a disreputable nature that would reflect adversely on the Alabama Electronic Filing Program.

(f) Unethical practices in return preparation.

(g) Suspension by IRS.

Author: Kathleen F. Campbell

Authority: Sections 40-2A-7(a)(5) and 40-30-6, Code of Alabama 1975

**E-file Regulations for Partnership/LLC**

The following regulations have been proposed as of the date of this document and should be considered in draft form.

**810-3-28-.02 Participation in the Federal/State Electronic Filing Program.**

(1) The Department will participate with the Internal Revenue Service in the Federal/State Electronic Filing Program for the joint electronic filing of partnership/LLC returns of income, effective for tax years beginning on or after January 1, 2006.

(2) The requirements of the Alabama Electronic Filing Program for software developers, electronic return originators and transmitters are stated in the Software Developers and Transmitters Guidelines and Schemas for Alabama Corporate Income Tax, S Corporation Income Tax and Partnership/LLC Returns (Publication AL4164), which is issued on an annual basis by the Department.

Author: Kathleen F. Abrams

Authority: Sections 40-2A-7(a)(5) and 40-30-4, Code of Alabama 1975

#### **810-3-28-.03 Requirements for the Alabama Electronic Partnership/LLC Return of Income.**

(1) A complete Alabama electronic partnership/LLC return of income will consist of data and supporting binary documents (such as .pdf documents) transmitted electronically. A complete Alabama electronic return must contain the same information as a comparable Alabama partnership/LLC return of income as if filed entirely on paper.

(2) The transmission date of an Alabama electronic partnership/LLC return of income will be used to determine timely filing of an electronic return in the same manner that the postmarked date is used to determine timely filing of a paper Alabama partnership/LLC return of income.

Author: Kathleen F. Abrams

Authority: Sections 40-2A-7(a)(5) and 40-30-5, Code of Alabama 1975

#### **810-3-28-.04 Requirements for the Partnership/LLC Return of Income Declaration for Electronic Filing.**

(1) The Partnership/LLC Return of Income Declaration for Electronic Filing requires the following information:

(a) The partnership/LLC's name.

(b) The partnership/LLC's Federal Employer Identification Number.

(c) The partnership/LLC's address.

(d) The non-separately stated income allocated and apportioned to Alabama as reported by the electronic return.

(e) The signature of an officer/partner of the partnership/LLC, their title and date of the signature.

(f) The signature of the electronic return originator and date of the signature.

(g) An indication whether the electronic return originator is self-employed.

(h) The firm name of the electronic return originator.

(i) The address, including the zip code, of the electronic return originator.

(j) The federal employer identification number of the electronic return originator.

(k) If the paid preparer is different from the electronic return originator, the following information is required:

1. The signature of the paid preparer and date of the signature.
2. An indication whether the paid preparer is self-employed.
3. The firm name of the paid preparer.
4. The address, including the zip code, of the paid preparer.

(2) The signatures of the officer/partner, the electronic return originator, and the paid preparer (if the paid preparer is different from the electronic return originator) must be affixed to the Alabama Form AL8453-C – Corporate/Partnership Income Tax Declaration for Electronic Filing before the return is electronically transmitted.

(a) Members of the firm or designated employees may sign for the electronic return originator.

(b) If the taxpayer is unable to obtain the paid preparer's signature on the Alabama Form AL8453-C, in lieu of the paid preparer's signature the electronic return originator may attach to the Alabama Form AL8453-C a copy of the appropriate pages of the paper return with the paid preparer's signature.

(c) Electronic return originators and electronic return preparers are prohibited from allowing taxpayers to sign blank Alabama Forms AL8453-C.

(3) The completed and signed Alabama Form AL8453-C will serve as the filing declaration for the electronic Alabama partnership/LLC return of income.

(4) The completed and signed Alabama Form AL8453-C must be scanned and saved in ".pdf" format. The AL8453-C ".pdf" file must be submitted electronically with the electronic return data. Any electronic partnership/LLC return submitted without the AL8453-C ".pdf" file will be rejected for incomplete documentation. AL8453-C should not be mailed to the Department of Revenue.

Author: Kathleen F. Abrams

Authority: Sections 40-2A-7(a)(5) and 40-30-5, Code of Alabama 1975

### **810-3-28-.05 Requirements for Electronic Filing Software.**

(1) XML Schemas (record layouts), specifications and business rules for a complete Alabama electronic partnership/LLC return of income are issued annually by the Department in Software Developers and Transmitters Guidelines and Schemas for Alabama Corporate Income Tax, S Corporation Income Tax and Partnership/LLC Returns (Publication AL4164).

(2) Software developers are required to obtain prior approval from the Department by submitting for testing sample Alabama electronic partnership/LLC returns of income prepared by and transmitted by their software products.

(3) Software developer testing will occur in conjunction with IRS testing in accordance with IRS Publication 4505 Modernized e-File Test Package for Forms 1065/1065B.

(4) Alabama electronic partnership/LLC returns of income received by the Department which are prepared by software which has not completed the Department's software developer testing and which has not been approved by the Department will be rejected by the Department. Paper Alabama partnership/LLC return of income must then be submitted by the taxpayers.

Author: Kathleen F. Abrams

**810-3-28-.06 Acceptance into the Alabama Electronic Filing Program, Monitoring, and Revocation of Acceptance into the Program.**

(1) Electronic return originators and transmitters accepted by and in good standing with the Federal Electronic Filing Program are automatically accepted into the Alabama Electronic Filing Program.

(2) Electronic return originators and transmitters accepted into the Alabama Electronic Filing Program serve as agents of the Alabama Department of Revenue, and must comply with the requirements of the program as stated in the Software Developers and Transmitters Guidelines and Schemas for Alabama Corporate Income Tax, S Corporation Income Tax and Partnership/LLC Returns (Publication AL4164).

(3) The Alabama Department of Revenue will conduct random monitoring visits with Electronic Return Originators and Transmitters to verify that the requirements of the Alabama Electronic Filing Program are being met.

(4) The Alabama Department of Revenue reserves the right to revoke the acceptance of an electronic return originator or transmitter for cause. Failure to comply with the guidelines set forth in the Software Developers and Transmitters Guidelines and Schemas for Alabama Corporate Income Tax, S Corporation Income Tax and Partnership/LLC Returns (Publication AL4164) is considered just cause.

(5) Any of the following can result in the revocation of an electronic return originator's or transmitter's acceptance into the program:

(a) Conviction of a criminal offense under the revenue laws of any state or of any offense involving dishonesty, or breach of trust.

(b) Failure to file timely and accurate tax returns, both personal and business.

(c) Failure to pay personal tax liabilities or business tax liabilities.

(d) Failure or refusal to effect corrective action as required by the Alabama Department of Revenue.

(e) Other facts or conduct of a disreputable nature that would reflect adversely on the Alabama Electronic Filing Program.

(f) Unethical practices in return preparation.

(g) Suspension by IRS.

Author: Kathleen F. Abrams

Authority: Sections 40-2A-7(a)(5) and 40-30-6, Code of Alabama 1975

FORM  
**AL8453-C** ALABAMA DEPARTMENT OF REVENUE  
 INDIVIDUAL & CORPORATE TAX DIVISION  
**2006**  
**Corporation/Partnership**  
**Income Tax Declaration for Electronic Filing**  
 To be filed electronically with the company's tax return. Do not send paper copies.

For calendar year 2006, or tax year beginning \_\_\_\_\_, 2006, ending \_\_\_\_\_, 20\_\_\_\_

NAME OF COMPANY	FEDERAL EMPLOYER IDENTIFICATION NUMBER
ADDRESS OF COMPANY	TELEPHONE NUMBER

**PART I** Tax Return Information *(Whole Dollars Only)*

1 Alabama taxable income (Form 200C, line 14); or Non Separately Stated Income (Forms 205/65, line 20) .....	1	
2 Total tax liability (Form 200C, line 15c; Form 205, line 21) .....	2	
3 Total payments and credits (Form 200C, line 16h; Form 205, line 22c) .....	3	
4 Refund (negative number reported on Form 200C, line 18; Form 205, line 27) .....	4	
5 Amount you owe (positive number reported on Form 200C, line 18; Form 205, line 27) ...	5	
6 Amount of payment remitted electronically .....	6	

**PART II** Declaration of Officer *(Sign only after Part I is completed.)*

Under penalties of perjury, I declare that I am an officer of the above company and that the information I have given my electronic return originator (ERO), transmitter, and/or intermediate service provider (ISP) and the amounts in Part I above agree with the amounts on the corresponding lines of the company's 2006 Alabama income tax return. To the best of my knowledge and belief, the company's return is true, correct, and complete. I consent to my ERO, transmitter, and/or ISP sending the company's return, this declaration, and accompanying schedules and statements to the Alabama Department of Revenue. I also consent to the Alabama Department of Revenue sending my ERO, transmitter, and/or ISP an acknowledgment of receipt of transmission and an indication of whether or not the company's return is accepted, and, if rejected, the reason(s) for the rejection.

☐ I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer.

Sign Here \_\_\_\_\_ \_\_\_\_\_  
 Signature of Officer Date Title

**PART III** Declaration of Electronic Return Originator (ERO) and Paid Preparer *(See Instructions)*

I declare that I have reviewed the above company's return and that the entries on Form AL8453-C are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The company's officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the Alabama Department of Revenue, and have followed all other requirements in Pub. 3112, IRS e-file Application and Participation, and Pub. 4153, Modernized e-File Information for Authorized IRS e-file Providers and Pub. AL4164 Software Developers and Transmitters Guidelines and Schemas for Alabama Corporation and Partnership Income Tax Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above company's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

<b>ERO's Use Only</b>	ERO's signature	Date	Check if also paid preparer <input type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN
	Firm's name (or yours if self-employed), address and ZIP code				EIN
					Phone No. ( )

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

<b>Paid Preparer's Use Only</b>	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address and ZIP code			EIN
				Phone No. ( )

## APPENDIX II: INCOME TAX FORMS WITH REFERENCE AND DATA ELEMENT X-PATH INFORMATION

The .PDF documents listed below include Forms and Schedules for the 20C, 20S, 65, and PTEC filings with each field on the form identified with a reference number. This reference number links the field on the form to a line on the quick reference included in the .PDF document and to a line on the State Business Rules spreadsheet. Also included in the quick reference are the Error reject codes for each form.

These are intended as a quick reference to the return data to be transmitted, please refer to the Business Rules documents and schemas for complete details, validations and error codes. The .pdf documents and the business rules documents are located on the web at [www.revenue.alabama.gov/incometax/corpefilemain.htm](http://www.revenue.alabama.gov/incometax/corpefilemain.htm).

AL 20C	20C_Quick_Reference 2006v1.1.pdf AL_20C_BusinessRules 2006v1.1.xls
AL 20S	20S_Quick_Reference 2006v1.1.pdf AL_20S_BusinessRules 2006v1.1.xls
AL 65	65_Quick_Reference 2006v1.1.pdf AL_65_BusinessRules 2006v1.1.xls
AL PTEC	PTEC_Quick_Reference 2006v1.1.pdf AL_PTEC_BusinessRules 2006v1.1.xls